

April 21, 1988

Dear Mr. Johnston:

Thank you for your message inviting the Chief of Staff to a reception for Cybill Shepherd on May 12.

Your invitation is appreciated, but the heavy demands of Mr. Baker's schedule make it impossible for him to accept. However, he asked me to thank you for your kindness and send you his best wishes.

Sincerely,

Lura Nell Mitchell
Personal Assistant
to the Chief of Staff

Mr. Ernest S. Johnston
Advertising Agency, Inc.
Suite 920
1030 15th Street, N.W.
Washington, D.C. 20005

LNM/WJB/efr 4HHBA
LNM-1

cc: Lorraine Camarano, Room 61 OEOB

April 21, 1988

Dear Mr. Sobin:

Thank you for your letter to Senator Baker inviting him to be the keynote speaker at the annual convention of the Professional Photographers of America/International in July 1989.

I hope you'll understand that a definite answer this far in advance is not possible. If you would like to send a follow-up invitation closer to the date of the event, we will be happy to give it every consideration.

With Senator Baker's best wishes,

Sincerely,

Lura Nell Mitchell
Personal Assistant
to the Chief of Staff

Mr. Morton A. Sobin
Professional Photographers
of America, Inc.
1090 Executive Way
Des Plaines, IL 60018

LNM/WJB/LRC/efr 4HHBA
LNM-4

cc: Lorraine Camarano, Room 61 OEOB

April 21, 1988

Dear Mr. Hahn:

Thank you for your letter of March 31 and for sending me a copy of the testimony of Los Angeles Chief of Police Daryl Gates. I found the testimony very interesting and, of course, am familiar with the good work of Chief Gates, particularly his personal support of the DARE Program.

The fight against illegal drug use and trafficking has been one of President Reagan's highest priorities. Nearly three dozen Federal agencies now participate in this effort -- resulting in major accomplishments on all fronts in this continuing battle. The President's budget for 1989 proposes a funding increase of \$450 million, a 13 percent increase over the 1988 enacted level of nearly \$3.5 billion. If the President's 1989 proposal is approved, spending on Federal drug programs will have more than tripled since 1981.

Through drug abuse education, treatment, research and deterrence programs, the Veterans Administration and the Departments of Education, Labor, Defense and Health and Human Services spearhead the President's crusade for a drug-free Nation. His budget proposes \$1.036 billion for drug abuse education, prevention, and treatment in 1989, an increase of \$112 million over the 1988 level. The Administration believes that the 1989 request would make a dramatic difference in the fight against drug abuse, if governments at the Federal, State and local levels work together and with the private sector. The majority of successful education, prevention and treatment programs are those where concerned citizens from all segments of society work together for a common goal -- that is, a drug-free America.

With regard to drug law enforcement, the Administration has made Federal program enhancement one of its top domestic priorities. Over the past seven years, the President has successfully sought additional resources for drug law enforcement in a number of agencies. The President's budget for 1989 proposes a funding increase of \$339 million, a 13 percent increase over the enacted 1988 level. Previous funding increases devoted to drug law enforcement have begun to produce results.

The Federal Government has demonstrated that it is serious about enforcement and about creating a drug-free America. Also, the Federal response is now more coordinated, negating the need for further dramatic spending increases. In March 1987, the President signed an Executive Order establishing the National Drug Policy Board (NDPB) as a Cabinet-level forum to coordinate all Federal anti-drug policy matters. The NDPB incorporated the National Drug Enforcement Policy Board which was established in 1984, and brought policy decisions on all anti-drug programs, whether on the supply or demand side, to the same policy forum. One of the Board's specific tasks is to provide policy guidance and resolve differences concerning interagency activities.

The drug problem in the United States today is much different from what we faced only a decade ago; illegal drug use has declined, seizures are up, and our law enforcement initiatives are increasingly effective. However, there is one aspect of enforcement and deterrence where we, as a Nation, are only beginning to get serious -- confronting users to hold them accountable for their actions.

Initiatives are currently underway in several States and cities to accomplish this goal; for example: in Los Angeles and New York, individuals are subject to forfeiture of the vehicles used to facilitate the purchase of drugs; in New Jersey and Missouri, individuals involved with illegal drugs will have their driver's license revoked or their acquisition of one postponed; in Miami, undercover officers, disguised as drug pushers, pose as drug dealers and then arrest the buyers; and elsewhere, various jurisdictions are imposing fines ranging from \$500-\$3,000 or mandatory community service on illegal drug users. These efforts, combined with our traditional law enforcement and prevention efforts, are changing attitudes among illegal drug buyers. Users are learning that they too are targets for prevention and that the risks of purchase and use are substantial.

The use of illegal drugs creates the market. Users keep the chain of supply in operation. The resulting crime, corruption, and violence put our law enforcement officers at considerable risk. The American people are beginning to understand that illegal drug use is dangerous and wrong, and that that is precisely why these drugs are illegal.

Merely increasing the Federal budget will not eliminate the drug problem, nor will improved law enforcement or prevention efforts. As the President has repeatedly said, the solution to the drug problem comes by "taking the customer away from the drugs." The

success of prevention and intervention is dependent on an overall attitude change -- on each of us rejecting illegal drug use in this country and doing whatever is necessary to make it impossible for individuals to continue using drugs.

Thank you for taking the time to express your concerns and, again, for sharing Chief Gates' suggestions. Please know that our commitment is unfaltering and that the legacy we hope to leave is nothing less than a drug-free America.

With best wishes,

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Kenneth Hahn
Supervisor, Second District
Board of Supervisors
County of Los Angeles
866 Hall of Administration
Los Angeles, California 90012

HHB/DAPO-Daoulas/CAD/AVH/efr 4HHBA

cc: Lorraine Camarano - Rm. 61 - OEOB

April 26, 1988

Dear Mr. Cole:

On behalf of Senator Baker, I want to thank you for your letter. Your interest in writing is appreciated.

I am sorry to send a disappointing reply to your request for an auction item, but the large number of similar appeals received by the Senator has forced him, in fairness, to decline them all. I hope you will understand the need for such a policy.

Nevertheless, we appreciated hearing from you. Please accept Senator Baker's best wishes for success in meeting your goals.

Sincerely,

Sue Walkup
Special Assistant
to the Chief of Staff

Mr. Chester V. Cole
Executive Director
Run-For-The-Money
Citrus County Association
for Retarded Children, Inc.
1315 North VanNortwick Road
Lecanto, Florida 32661-9710

SW/LRC/CAD/AVH/dsf5
SW-11

cc: Lorraine Camarano - 61 OEOB

April 26, 1988

Dear Henry:

It was a great pleasure to read in your recent letter that events in Austria are going so well. Reports in the press (and the lack thereof) had already begun to make the point that U.S.-Austrian relations were returning to an even keel.

You suggest modestly that the Embassy's efforts may have helped "a bit" in reducing U.S.-Austrian tensions. I am sure that you have helped a great deal. We feel fortunate that, in this sensitive period, the United States Government can count on your sure hand and judicious temperament in Vienna.

Thank you for your kind words about the activity of the White House, as we work through the Administration's last year. There is much to be done, and we want to keep on trying our best so long as we carry the responsibility.

I have every confidence that the rest of your time as Ambassador will follow the successful precedents you have laid down in your first weeks.

With all best wishes,

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

The Honorable Henry A. Grunwald
American Ambassador
Vienna
Austria

HHB/NSC:CAD:ds 4HHBA

cc: Lorraine Camarano - Rm. 61 - OEOB

April 26, 1988

Dear Dr. Braun:

Thank you for your April 12 letter to the Chief of Staff requesting a meeting for late April.

Regrettably, the demand of Senator Baker's schedule will not permit him to arrange an appointment. Nevertheless, he appreciated hearing from you and sends you his best wishes.

Sincerely,

Lura Nell Mitchell
Personal Assistant
to the Chief of Staff

Joyce E. Braun, M.D.
Post Office Box 277
Gaston, OR 97119

LNM/LRC/CAD/AVH/efr 4HHBA

cc: Lorraine Camarano, 61 OEOB

April 25, 1988

Dear Mrs. Thulin:

Thank you for your thoughtful message. I appreciate your support, but I have no regrets about not running for office this year. I'm happy to serve President Reagan as he completes his term.

Your words of friendship mean a great deal to me. Please accept my warm best wishes.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mrs. Beatrice B. Thulin
1216 58th Avenue
Sacramento, CA 95831

HHB/LRC/CAD/jfcf4
HHB-17

cc: Lorraine Camarano - 61 OEOB

U

April 25, 1988

Dear Mr. Allen:

Thank you for your message.

It is good to hear directly from the American people and learn of their views on various issues. Thanks for taking the time to share your thoughts with me.

With my best wishes,

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Vince Allen
Suite 2110
410 Seventeenth Street
Denver, CO 80202

HHB/LRC/CAD/jfcf4
HHB-3A

cc: Lorraine Camarano - 61 OEOB

U

April 25, 1988

Dear Mr. Kroeger:

Thank you for your thoughtful message. Your kind words of support and encouragement mean a great deal to me.

You have my warm best wishes.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Harlan L. Kroeger
Post Office Box 88245
Atlanta, GA 30356-8245

HHB/LRC/CAD/jfcf4
HHB-1

cc: Lorraine Camarano - 61 OEOB

April 25, 1988

Dear Ms. Gildea:

Thank you for your thoughtful message. Your kind words of support and encouragement mean a great deal to me.

You have my warm best wishes.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Ms. Margot Gildea
85 Norman Lane
Oakland, CA 94618

HHB/LRC/CAD/jfcf4
HHB-1

cc: Lorraine Camarano - 61 OEOB

April 25, 1988

Dear Mr. Bowman:

Thank you for your message and kind words of support.

I am pleased that you took the time to share your views with me. I appreciate having the benefit of your judgment.

Again, thanks for your interest. Please accept my very best wishes.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Wayne L. Bowman -
11308 McGhee Road
Apison, TN 37302

HHB/LRC/CAD/jfcf4
HHB-3

cc: Lorraine Camarano - 61 OEOB

April 25, 1988

Dear Ms. Bradley:

Thank you for your April 6 letter to the Chief of Staff. It was good to hear from you, and I'm pleased to enclose a message from Senator Baker for Mr. Herron.

With Senator Baker's best wishes,

Sincerely,

Sue Walkup
Special Assistant
to the Chief of Staff

Ms. Eloise Bradley
Gallatin Senior High School
Green Wave Drive
Gallatin, TN 37066

Enclosure: msg for Dan Herron fm Senator Baker

SW/LRC/efr 4HHB

cc: Lorraine Camarano, 61 OEOB

April 25, 1988

Dear Mr. Herron:

I'm delighted to send my congratulations on the occasion of the your 25th anniversary as principal of Gallatin Senior High School.

Your many accomplishments in the field of education have earned you the respect of your colleagues and the students of Gallatin High. But more important, you can take special pride in knowing that you have helped to mold America's future leaders. I know that you have also earned the deep gratitude of the citizens of your community for your total dedication to young people.

As you reach this impressive milestone, may your celebration be truly memorable, and may you continue to have outstanding success in the future.

With my warm best wishes,

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Dan P. Herron
Principal
Gallatin Senior High School
Green Wave Drive
Gallatin, TN 37066

HHB/LRC/CAD/efr 4HHB

cc: Lorraine Camarano - Rm. 61 - OEOB

April 25, 1988

Dear Mrs. Marshall:

Thank you very much for your letter. It was good hearing from you, and I especially enjoyed the article about Mother Ladd. It brought back fond memories.

Please accept the enclosed inscribed photo as a token of my friendship.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mrs. Elizabeth Marshall
Route 5, Box 193
Harriman, TN 37748

Enclosure: personally inscribed photo of HHB:
"To Elizabeth Marshall good wishes"

HHB/LRC/CAD/AVH/efr 4HHB

cc: Lorraine Camarano - Rm. 61 - OEOB

April 25, 1988

Dear Mr. Yano:

It was a pleasure to be able to meet with you and your colleagues when you were in Washington. We appreciate your devotion, and that of the Komei Party, to a healthy relationship between the United States and Japan. I deeply appreciate your special kindness and send you my warm best wishes.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

The Honorable Junya Yano
Chairman of Komeito
17 Minamimoto-Machi
Shinjuku-ku
Tokyo 160
Japan

HHB/LRC/CAD/AVH/efr 4HHB

Clear thru NSC
cc: Lorraine Camarano - Rm. 61 - OEOB

April 27, 1988

Dear Dean:

Thanks for your note and the copy of your letter to the President recommending Seeley Lodwick for appointment as Chairman of the International Trade Commission.

I appreciate hearing from you and having the benefit of your informed judgment on this important appointment. I have passed your correspondence along to Bob Tuttle for his review. Please be assured Mr. Lodwick is receiving every consideration.

With every good wish,

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Dean R. Kleckner
President
American Farm Bureau Federation
225 Touhy Avenue
Park Ridge, IL 60068

HHB/LRC/CAD/AVH/emu (pc-4HHB)

cc: Lorraine Camarano, 61 OEOB
cc: Katja Bullock with copy of incoming (fyi)

April 27, 1988

Dear Mr. Yager

Thank you for your letter. I appreciate the information about Mother Ladd's home.

I am pleased to send you the autographed photo of President Reagan for the Courthouse. It comes with his best wishes.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Ken Yager
County Executive
Roane County Courthouse
Kingston, TN 37763

HHB/LRC/CAD/AVH/emu (pc-4HHB)

cc: Lorraine Camarano, 61 OEOB

Enclosure: autopenned photo of RR

April 27, 1988

Dear Elgin:

Thank you for your letter concerning Sheila Kelly's desire to meet President Reagan. Although it will not be possible to arrange such a meeting, I'm pleased to enclose an autographed photo of the President for Sheila as a token of his appreciation for her friendship.

Also, thank you for your kind words of support and encouragement. Warm regards.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Elgin Smith
Suite 3
4548 Brainerd Road
Chattanooga, TN 37411

HNB/LRC/CAD/AVH/emu (pc-4HNB)

cc: Lorraine Camarano, 61 OEOB

Enclosure: autopenned photo of President Reagan inscribed:
"To Sheila Kelly With best wishes, Ronald Reagan"

April 27, 1988

Dear Mr. Haley:

Thank you for your letter recommending Bishop W. McCullough to receive the Medal of Freedom.

It was good to hear from you, and I have passed your correspondence along to Fred Ryan, the White House action officer for this award. You can be sure that Bishop McCullough will receive every consideration.

With every good wish,

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. George W. Haley
Suite 700
733 15th Street, N.W.
Washington, D.C. 20005

HHB/LRC/CAD/emu (pc-4HHB)

cc: Fred Ryan with copy of incoming (fyi)

cc: Lorraine Camarano, 61 OEOB

April 27, 1988

Dear Gordon:

Many thanks for your kind invitation to address the Indiana Republican dinner this summer.

I wish that it were possible to join you for this important event, but the heavy demands of my schedule will not allow me to participate. However, you have my very best wishes for success in meeting your goals.

Warm regards.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Gordon K. Durnil
State Chairman
Indiana Republican
State Committee
Suite 1260
1 North Capitol
Indianapolis, IN 46204

HHB/LRC:CAD:AVH:ds (pc-4HHB)

cc: Lorraine Camarano, 61 OEOB

April 27, 1988

Dear Bob:

Thanks for your April 12 letter reiterating your recommendation of James Guthrie for appointment to the United States Tax Court.

It was good to receive your assessment of his credentials, and I have passed your correspondence along to Arthur B. Culvahouse, Jr., White House action officer for this appointment. Please be assured that Mr. Guthrie is receiving every consideration.

Your friendship means a great deal to me, and I appreciate your kind words. Warm regards.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Robert E. Bradford
Senior Vice President
Safeway Stores, Inc.
201 Fourth Street
Oakland, CA 94660

HHB/LRC/CAD/AVH/emu

(pc-4HHB)

cc: Lorraine Camarano, 61 OEOB

cc: Arthur B. Culvahouse, Jr., with copy of incoming (fyi)

April 27, 1988

Dear Bob:

Thanks for your April 15 letter recommending Alan J. Statman for appointment as a Commissioner on the Federal Energy Regulatory Commission.

It was good to hear from you and have the benefit of your informed judgment on his credentials. I have passed your letter along to Bob Tuttle for his review. You may be sure Mr. Statman is receiving every consideration for this important post.

Warm regards.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

The Honorable Bob Dole
Republican Leader
United States Senate
Washington, D.C. 20510

HHB/LRC/CAD/AVH/emu (pc-4HHB)

cc: Lorraine Camarano, 61 OEOB
cc: Katja Bullock with copy of incoming (fyi)
cc: Alan Kranowitz (fyi)

April 27, 1988

Dear Mr. Cummings:

Thank you for your message inviting the Chief of Staff to attend your 1988 Rose Ball Weekend Celebration in May.

Your invitation is appreciated, but the heavy demands of Mr. Baker's schedule make it impossible for him to accept. However, he asked me to thank you for your kindness and send you his best wishes.

Sincerely,

Lura Nell Mitchell
Personal Assistant
to the Chief of Staff

Mr. Jeff Cummings
Pi Kappa Phi
Post Office Box 951
Milledgeville, GA 31061

LNM/WJB/LRC/ws
LNM-1

cc: Lorraine Camarano, Room 61 OEOB

April 27, 1988

Dear Mr. Galles:

Thank you for your letter inviting the Chief of Staff to address National Small Business United on April 26, 1988 during a White House briefing.

Your invitation was appreciated, but the heavy demands of Mr. Baker's schedule made it impossible for him to accept. However, he asked me to thank you for your kindness and send you his best wishes.

Sincerely,

Lura Nell Mitchell
Personal Assistant
to the Chief of Staff

Mr. John Paul Galles
Executive Director
National Small Business United
Suite 710
1155 15th Street, N.W.
Washington, D.C. 20005

LNLM/LRC/emu (pc-4HHB)

cc: Lorraine Camarano, 61 OEOB

April 27, 1988

Dear Tom:

Thanks for sending a follow-up invitation for the Tennessee Gas Association Convention on May 13.

Regrettably, the demands of my schedule will not allow me the pleasure of accepting. However, please extend my good wishes to everyone who attends this special event.

I appreciate your kind words about Joy, and she joins me in sending our warmest wishes to you and Aggie.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Thomas R. Bell
East Tennessee Natural Gas
Post Office Box 10245
Knoxville, TN 37919

HHB/LRC/CAD/AVH/jg 4HHBA

cc: Lorraine Camarano - Rm. 61 - OEOB

April 27, 1988

Dear "Miss Helen":

I'm delighted to send my congratulations to a fellow Tennessean on the occasion of your retirement after 43 years as a teacher.

Your dedication and service to three generations of America's youth have earned you the respect and admiration of your students and the citizens of your community as well. You should be very proud of your outstanding accomplishments as you look back over the years.

As you reach this impressive milestone, may your celebration be truly memorable, and may your retirement be filled with much happiness.

With my warm best wishes,

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Miss Helen Fulks
Rockwood Junior High School
434 West Rockwood Street
Rockwood, TN 37854

HHB/LRC/CAD/jg 4HHBA

cc: Lorraine Camarano - Rm. 61 - OE0B

April 27, 1988

Dear Mr. Thompson:

Thank you for your letter to Senator Baker inviting him to attend Helen Fulks's retirement dinner on May 13.

Regrettably, the demands of his schedule will not permit him to attend this special celebration. However, I'm pleased to enclose a message from the Senator for inclusion in your tribute to her career.

With Senator Baker's best wishes,

Sincerely,

Lura Nell Mitchell
Personal Assistant
to the Chief of Staff

Mr. William E. Thompson
Principal
Rockwood Junior High School
434 West Rockwood Street
Rockwood, TN 37854

LNM/LRC/CAD/AVH/jg 4HHBA
Enclosure: Retirement message for Miss Helen Fulks from
Senator Baker
cc: Lorraine Camarano, 61 OEOB

April 27, 1988

Dear Bryant:

Thank you for your nice letter. I had a good time visiting with you, too. One of the nicest things about my job is the opportunity I have to meet young Americans like yourself.

I'm glad you enjoyed your stay in Washington, and I hope you will have the opportunity to visit again in the future.

With my warm best wishes,

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Bryant Moore
407 Highlander Run
LaGrange, Georgia 30240

HHB/FJD:CAD:AVH:ds (pc-4HHB)

cc: Lorraine Camarano, 61 OEOB

April 28, 1988

Dear Ms. Anderson:

Thank you for your April 18 letter to
Senator Baker.

Although your interest is appreciated, the
heavy demands of the Chief of Staff's
schedule prevent him from complying with
your request. I hope you will understand.

With best wishes,

Sincerely,

Sue Walkup
Special Assistant
to the Chief of Staff

Ms. Amy L. Anderson
Apartment 407
1401 N Street, N.W.
Washington, D.C. 20005

SW/LRC/CAD/AVH/jg 4HHBA

cc: Lorraine Camarano, 61 OEOB

April 28, 1988

Dear Mr. Egle:

Charlie Wick has sent me your February 26 letter concerning Pershing Hall.

Let me say right from the start that there is no truth to the rumor that the Administration plans to give Pershing Hall to the United Services Organization (USO). It is true that at this time the Office of Management and Budget and the State Department are examining various options relating to the future of Pershing Hall, but no decisions have been made in this matter.

I appreciate your concern regarding the disposition of Pershing Hall and assure you that we will conduct a thorough review of the situation before a final decision is made.

With best wishes,

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

Mr. Jack Egle
President and Executive Director
Council on International Education
and Exchange
205 East 42nd Street
New York, NY 10012

HHB/OMB/LRC/CAD/AVH/jg 4HHBA
Clear with NSC

cc: Lorraine Camarano - Rm. 61 - OEOB

April 28, 1988

Dear Pat:

I apologize for the delay in responding to your letter of March 14. As you now know, our thinking is very much in line with your draft bill. The President's Executive Order of March 18 mirrors your Monitoring Council and statement of objectives. We anticipate that the working group established by the EO will provide much of the inter-market coordination that everyone agrees is necessary, and that it will be able to take action on a number of issues raised by the various studies.

The first full report to the President will be made no later than mid-May (60 days from the time of the Executive Order). We expect that definitive steps can be taken in the interim -- this effort is not intended to be another "study" or delaying action. Further, the initial report to the President may include recommendations for legislation to alter or augment current regulatory authority. Any such recommendations will be quickly evaluated in anticipation of possible legislation before the year is out.

I know that there is some restiveness in Congress and a desire for quick action. We're not attempting to preempt such actions, but rather taking measured and deliberate steps to achieve our shared goal of preventing a recurrence of last year's events while preserving the efficiency and competitiveness of our capital markets.

I look forward to continued cooperation with you on this issue.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

The Honorable Patrick Leahy
Chairman
Committee on Agriculture,
Nutrition, and Forestry
United States Senate
Washington, D.C. 20510-6000

HHB/DanCrippen/CAD/emu (pc-4HHB)

cc: Lorraine Camarano, 61 OEOB
cc: Alan Kranowitz (fyi)

April 28, 1988

Dear Bill:

I appreciate your support for our efforts in forming the financial markets working group. I want to again assure you that our efforts are not an attempt to preempt Congress. Rather, we anticipate that the working group will provide much of the inter-market coordination that everyone agrees is necessary, and that it will be able to take action on a number of issues raised by the various studies.

The first full report to the President will be made no later than mid-May (60 days from the time of the Executive Order). We expect that definitive steps can be taken in the interim -- this effort is not intended to be another "study" or delaying action. Further, the initial report to the President may include recommendations for legislation to alter or augment current regulatory authority. Any such recommendations will be quickly evaluated in anticipation of legislation before the year is out.

As you know, I'm sensitive to Congressional prerogatives and understand your desire to proceed in a timely way. This is not an issue that is, or should be, in any way viewed as partisan or a tug-of-war between the respective branches. We share the goal of preventing a recurrence of last year's events while preserving the efficiency and competitiveness of our capital markets.

I look forward to continued cooperation with you on this issue.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

The Honorable William Proxmire
United States Senate
Washington, D.C. 20510

HHB/DanCrippen/CAD/emu (pc-4HHB)

cc: Lorraine Camarano, 61 OEOB
cc: Alan Kranowitz (fyi)

April 28, 1988

Dear Bob:

I apologize for the delay in responding to your letter recommending Wendell Gunn for the Federal Reserve. I had hoped by now to have a definitive answer about the President's nominee. However, the geographic limitations for Fed appointments imposed by the Banking Committee have made it a difficult spot to fill. Mr. Gunn was among the many qualified candidates eliminated from consideration for that reason.

We are making progress and have several potential nominees making the rounds inside the Administration. I trust that we can soon announce a choice and begin work on the confirmation process.

Warm regards.

Sincerely,

Howard H. Baker, Jr.
Chief of Staff to the President

The Honorable Robert W. Kasten, Jr.
United States Senate
Washington, D.C. 20510

HHB/DanCrippen/CAD/AVH/emu (pc-4HHB)

cc: Lorraine Camarano, 61 OEOB
cc: Alan Kranowitz (FYI)

April 28, 1938

Dear Mr. Thompson:

Thank you for your kind note which my Chief of Staff, Howard Baker, recently shared with me.

Letters like yours do much to refresh my spirit and reaffirm my faith in America's future. You have no idea what a boost it is for me to hear from fellow citizens who support what we're doing here in Washington. I'm proud to have your support, and I will continue to do my utmost to merit it. You've made my day!

God bless you.

Sincerely,

Mr. James D. Thompson
44-1/2 Mercer Street
South Boston, Massachusetts 02127

RR/FJD/CAD/AVH/emu ✓ (pc-4pres)

cc: Lorraine Camarano

886

334429